



## Episode 18: Building Community Part 2—Addressing the Housing Mismatch

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Part two of our conversation about affordable housing and community economic development focuses on the factors that create vibrant, successful communities in urban and rural areas alike, using Maine as a case study. We also discuss how law can be a contributor to effective development efforts. Our guests are Greg Payne of the [Maine Affordable Housing Coalition](#) and [Avesta Housing](#); Professor Peter Pitegoff of the [University of Maine School of Law](#); and Nina Ciffolillo, the Economic Justice Fellow for the Class of 2021 at the [University of Maine School of Law](#).

[Greg Payne](#) is the Director of the [Maine Affordable Housing Coalition](#) and Development Officer at [Avesta Housing](#). Greg has nearly two decades of experience in issues related to housing and homelessness, including work at the Atlanta Task Force for the Homeless and the Massachusetts Coalition for the Homeless. Greg joined Avesta Housing in 2007 as a Development Officer. In addition to his responsibilities for managing all aspects of multifamily rental projects from concept to completion, Greg serves as Director of the Maine Affordable Housing Coalition, a diverse association of more than 125 private and public sector organizations committed to ensuring that all Mainers are adequately and affordably housed. He is currently the Chair of the Board of Directors of the [National Low Income Housing Coalition](#) and serves on the Board of [Genesis Community Loan Fund](#).

[Peter Pitegoff](#) is Professor of Law at the [University of Maine School of Law](#), where he was Dean from 2005 to 2015. He has taught, worked, and written extensively in the areas of community economic development, labor and industrial organization, corporation and nonprofit law, employee ownership, and legal ethics. Pitegoff served for ten years on the board of directors of [Coastal Enterprises, Inc.](#), a national leader in community development

finance. Prior to his academic career, he was legal counsel for the [ICA Group](#), a Boston firm that assists worker-owned enterprises and related economic development initiatives nationwide.

Nina Ciffolillo is a second year law student at the [University of Maine School of Law](#). She graduated from McGill University with a degree in English and Environment and moved to Maine in 2016, where she worked for two seasons on a vegetable farm. She began at Maine Law in 2018 and is the Economic Justice Fellow for the Class of 2021. Last summer, in connection with her fellowship, she worked in affordable housing development and policy at [Avesta Housing](#). She plans to use her law degree to combat economic and environmental injustice.

This transcript has been lightly edited for clarity.

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### **The Greater Good: Episode 18**

Carrie: Welcome to the Greater Good: a podcast devoted to exploring complex and emerging issues in law, business and policy. I'm your host Carrie Wilshusen, Associate Dean for Admissions at the University of Maine School of Law.

Carrie: Welcome back to The Greater Good and our guests, Professor Peter Pitegoff of the University of Maine School of Law, Greg Payne, Director of the Maine Affordable Housing Coalition and Development Officer at Avesta Housing, and Nina Ciffolillo, a second year law student at Maine Law and the class of 2021 Economic Justice Fellow.

How are we doing on the Maine front? Greg, do you want to start off for us?

Greg: You mean in terms of affordable housing and community economic development?

Carrie: Yes.

Greg: Not that this is atypical in the United States, but Maine has enormous problems in terms of the housing we have versus the housing we need. There's just a massive mismatch, a mismatch in many different ways. The size of the housing that we have. You know, it was generally built a long time ago for larger families than the typical household. Now they were built in places that don't make sense for us going forward. There's the housing that exists is typically very inefficient and as we've been talking about, it's typically at a price point that far too many people can't afford. So there's this great mismatch between the housing we have and the housing we need. You know, in terms of trends, in the end it's not particularly complicated. What matters certainly in the world of, you know, for the roughly 28% of of

Maine households who rent is you're looking at what is their income, but if the income of renters and what is the cost of rent. Those are the two primary forces at play and unfortunately over the last 20 years, cost of rent has risen 9% adjusted for inflation and incomes or renters has fallen by 1%.

Carrie: This is specifically in Maine?

Greg: That's specifically in Maine. It's similar nationally, I think it's rents have gone up 13% nationally and I think incomes have gone up a half a 1%, you know, nationally. So it's a very similar story going on here in Maine and so it isn't all that hard to understand that when you're talking about a, you're starting with a housing supply that isn't a match for what we need to have going forward and then renter incomes simply aren't keeping up with rental costs, that's when you start getting, you know, for example, 4,000 households coming to invest in, we're able to help three 73 of them you know. Or statewide, you know, for every hundred extremely low income renter households, there are 52 rental homes that are affordable and available to them. And you know, in the end it makes homelessness and extreme housing instability not exactly a shocker. It's just math. I mean, it's eminently predictable. And so that's why we have wait lists that go for years. You know, there's about 19,000 families in Maine that are waiting for federal rental assistance and you know, so by a whole lot of different measures, we have this huge unmet need and that's why I think that probably single biggest thing we try to keep our eye on is growing the stock of safe, quality, affordable housing that can be with us for the long-term and growing the rate of production of that housing. That's I think our number one job.

Carrie: Is the legislature helping with the task ahead, this crisis in housing?

Greg: I have to say over the past year it has been a really wonderful thing watching this legislature, this governor, recognize this issue for as big as it is on both sides of the aisle. I would say there is more interest in dealing with this issue. There's more understanding that it is a rural and urban and suburban problem than at any time that I've seen in the 13 years or so I've been working on these issues in Maine. There's a recognition that we have a problem. There's a recognition that there is a role for the state and addressing it not as a state can do it on its own, but one of the things we have going for us now in addition to some practitioners who are pretty high capacity and can do the work if the resources are there to do it, I think we do have the advantage in Maine right now of having legislative leadership at the state level that is focused on the problem and willing to do something about it and that does make us feel somewhat optimistic.

Carrie: Peter.

Peter: And the new gubernatorial administration has developed a 10 year plan for economic revitalization of Maine. It's very much a 30,000 foot view, but it does touch on many, many important issues, housing included, going forward to make that work. I think that we have to build on some of the strengths that Maine has, including a vibrant small business community, a vibrant community of nonprofit organizations, certain strengths in forest industry, food, and tourism, and I think that there are ways that a lot of the entrepreneurs and entrepreneurial spirit can be nurtured and hopefully for the good. It's not the answer, but it's one piece of puzzle.

Carrie: Compared to other states, how are we doing? Do you have that answer?

Peter: I think compared to many other states, we don't have a lot of large capital intensive industry in large corporations who both can contribute to the economy and also can be benefactors for some local development initiatives. So we deal with what we have, we build on certainly turn to some of the community banks and some of the large corporations that are here, but really rely on the ingenuity of some of the smaller businesses and a number of organizations that help to nurture the ambition of some new immigrants, new Mainers and young people, hopefully who are either staying or maybe even moving back.

Greg: To your question too about how we're doing versus other states, I'd point out the national low income housing coalition every year puts out a report that is very widely heralded as a great snapshot of where things stand that's called their Out of Reach Report. And in their report, what they essentially do is look at what is the wage required to afford the typical a two bedroom rent in communities all across the country and they look at what are the actual incomes of renters in those communities and that report when it was put out last, I believe in June, found Maine to have the seventh largest gap in America between the incomes of renters and the rents that are needed in order to afford the typical two bedroom housing unit. So again, you know, in many other states...

Carrie: Is that true throughout the state? Or is that just southern Maine?

Greg: Well that's the state on average. I mean, so what happens is there's maybe plenty of other States where rents are higher than in Maine, but that doesn't matter so much as looking at what those rents are in comparison with incomes. That's, it's the two. It's not either one of them that matters. It's the two compared to each other. And what that report does point out is that we do in Maine, compared with nearly every other state, have a bigger gap between our rents, rent needed to afford apartments, and the income that

renters have with which to try to, you know, rent apartments. So it's unfortunately not a good situation here and it's not trending well.

Carrie: Peter, can you talk a little bit about some of the projects that are going on in Maine and community economic development?

Peter: I'm most familiar with projects that Coastal Enterprises Inc, or CEI, has been involved in. I was on the board of directors there for 10 years and I was very impressed with the scale, the scope, and the creativity that CEI brought. Just a few examples. There was another paper mill in Baileyville and CEI helped put together a financing package for them to retool, to expand, to move into a different kind of a product. It's called St Croix tissue, and they were able to preserve a lot of jobs. Not only that, they were able to create some new jobs and focus not just on numbers but on the quality of those jobs as well. So there was a community benefit agreement where that included a commitment to hiring local residents to ongoing training. There are a host of other projects as well. One is the Island Employee Cooperative in Stonington, where the owners of three different retail stores were retiring and CEI helped them to get financing to keep those stores open with a transfer of ownership to the employees in the form of a worker cooperative and it's still still operating now several years later and kept those jobs and those services. They have childcare facilities that they've worked with in Gorham. They worked with restaurants. They've worked with cultural institutions. So I'm, I'm impressed with a lot of those projects on the ground. A lot of them are in rural counties and coastal communities, and areas that are not, that don't have the resources that the greater Portland area has. So there's some good stories in Maine.

Greg: To your question too about what's happening on the ground? What new projects are going on? For folks who might be listening to this podcast, who were voters in November of 2015, you may recall there was a question on the ballot about senior housing and an opportunity to support a \$15 million senior housing.

Carrie: And we overwhelmingly did.

Greg: Yes, 70% of Maine voters said that we should do that and Governor LePage held it up for three years until the election. But in one of her first acts as governor of Maine, Janet Mills released that bond and so as a result within the next week or so, Maine state housing authority is going to be announcing, I suspect, seven or eight different projects around Maine, at least half of which are going to be in rural communities, that we'll use proceeds from that senior housing bond to create the housing that people voted for back in 2015.

Carrie: And what that allows is for these seniors to stay in their communities with their healthcare providers, with their friends. It's pretty powerful.

Greg: Right. The idea is that that housing would be built in communities all across the state and as a result, you wouldn't have to have people leaving the area that they're in order to sit on waitlists in some community far away. But you know, it's a resource that I think people clearly wanted and it's being deployed now and it's going to benefit communities and it's gonna benefit workers for several years to come now.

Carrie: So one almost lawyer to a law professor, a lawyer at the table. What does law have to do with all of this? Let's talk about that. I'm going to go to Peter on that one. Professor Pitigoff?

Peter: Well affordable housing development, community based economic development, economic development generally is not driven by lawyers, but you can be sure that lawyers play a major role in any sort of finance transactions. Many people who are trained as lawyers have gone on to become experts in certain areas of economic development and community development. Lawyers play a leadership role, certainly in governance of some of the organizations that are doing this kind of work. I think it's a critical piece, but it's a critical piece in conjunction with other expertise with people on the ground with institutions that you have to bring together to make this happen.

Greg: Yeah, I think Peter's absolutely right. In addition to all the legal practitioners out there who play an important role in getting housing actually built and functioning the way it's supposed to, the people who craft the legislation that we need, the people that we rely on for advice in coming up with policy ideas are typically lawyers and I think that for a lot of people when they go to law school, the idea is how can I use this skill to make the world just a little bit better? And I think that this field does create an opportunity for those people to do exactly that.

Nina: I completely agree. That's one of the main reasons I went to law school. And I think another important thing is that understanding that the law controls everything we do in a lot of ways and also that the law is really complicated and so I think an important job for lawyers in this field is to help people understand the laws so they can develop their communities sustainably.

Carrie: And you are the University of Maine School of Law inaugural economic justice fellow, you're the, the economic justice fellow for the class of 2021. So all of you have been

involved in that, so can, can you all talk about that a little bit? So Peter, you conceived this and Greg, you hosted Nina this summer at Avesta Housing, right?

Greg: Yes.

Peter: We're very excited at the University of Maine School of Law to establish the economic justice fellowship program. It's a way to engage law students in the study and practice of community economic development to also assist community development organizations. Hopefully we're building a new cadre of leadership, not just the fellows themselves, but other students who get access to some of the curricular initiatives we do, some of the research initiatives we do and particularly some of the field placements that we help to arrange. Nina was the first fellow to have summer support at Avesta.

Nina: Yeah. So this summer I was lucky enough through the economic justice fellowship to work for Greg with Avesta Housing and the Maine Affordable Housing Coalition. Coming in, I had basically no knowledge about affordable housing other than just having seen it in the community and I definitely learned a lot. One thing that I was excited to learn, which we discussed before, was the incentive to build environmentally friendly housing. Another was that there is a strong incentive to build safe and quality housing. And I was able to go to a lot of Avesta properties and meet the residents and most of them were really grateful and had wonderful communities within their housing developments.

Carrie: So their opportunity to be in these housing developments actually was supporting them to, to kind of rebuild their lives?

Nina: Yeah, exactly. Yeah, and a lot of them are in more rural communities too, so having a bunch of units within one neighborhood and there's always a community room so a lot of people would, you know, meet up there. Everybody talked to their neighbors, was happy to see, mostly happy to see people from Avesta come by. So one thing I was able to do was learn a lot about Avesta's housing developments.

Another thing was more for the Maine Affordable Housing Coalition, which was researching a bill that had just been passed, which mandated universal blood lead testing for one and two year olds in Maine because the housing stock is so old, has a lot of lead paint in housing and lead causes, extreme developmental issues, especially in children and it's irreversible. So in new England, a lot of the states have passed mandates for children to get their blood tested for lead when they're one and two years old at their wellness checkup. And so Maine had just passed a similar bill and I was researching how that bill has worked in other states. And initially Maine had been just asking parents if the children spend a lot of time in old

houses and that wasn't working well. Greg just informed me that since then the proportion of kids who are being tested at their checkups has gone up by I think 50% and several children were found that had really high levels of lead in their blood, but they're found very early on when they're one or two so they can get them out of that environment and make sure there's no lead dust on the ground where they're crawling around. So overall it's been very successful so far.

Carrie: Wonderful. So we call this podcast The Greater Good and our goal is to share the work that's being done on behalf of our communities, local, national, and global. It's clear that your work is in furtherance of the greater good. So what I'd like to ask from each of you is do you have a vision for this work going forward, either specifically Maine or nationally? Greg, let's start with you.

Greg: Well I think that, you know, the vision is that many of us who do this kind of work, I think have, is around working with communities to address kind of these artificial restrictions like we were talking about zoning and land use restrictions that are keeping housing from being built. But in addition to developing a deeper investment in the housing solutions that, that people need. I mean, we have, we have a good amount of housing support that we provide to Americans broadly in the form of mortgage interest deductions. They, you know, our, our tax policy does a lot of things to encourage home ownership, which is great. Some of those things are not particularly well-focused and so we end up providing a great deal of federal subsidy dollars to people who don't need it. And I think part of the vision isn't necessarily even increasing the amount of assistance that's given from the federal level to make sure people have a home they can afford. It's better targeting the housing assistance that we have now. So that involves you know, a whole lot of ongoing long-term work of working with Democrats and Republicans and independents to understand the issue and to provide potential solutions that are feasible. So that's what we're focused on. Again, the end game is just making sure that we increase the stock of quality, safe, affordable homes and trying to work with policy makers to achieve that in a politically feasible way.

Carrie: Peter.

Peter: My vision is for the law school, the University of Maine School of Law, to be a resource for Maine. A lot of the curriculum, a lot of the research that goes on in law schools has to do with litigation, has to do with adversarial process, has to do with resolving problems. One of the attractions to community economic development is that it goes



upstream and tries to create institutions and initiatives that will forestall some of those problems down the road. We're building the curriculum with more transactional courses, with courses related directly to community based economic development related to nonprofit organizations and the like. We're doing research and hopefully research that's of use to Avesta and Coastal Enterprises and other community development organizations in Maine. I see the placement of students both through the economic justice fellowship program and through ultimate career choices and volunteer opportunities as a great aspect of the vision going forward. So a quality education for students, a resource for Maine.

Carrie: And in articulating this wonderful area of study and work, it really helps attract students to this work because a lot of students didn't even think that this was a possibility.

Peter: True. When I went to law school many, many years ago, a lot of my friends who shared those social justice goals were studying civil rights. They were studying litigation, environmental litigation. They were studying all sorts of adversarial processes and they wondered why I was studying business corporations, tax securities, law, business planning, and the like. Today that's not unusual at all. I helped start a clinical program, one of the first in a law school in community based economic development and affordable housing at the State University of New York at Buffalo in 1988. Today, there are some 75 transactional clinics like that around the country. I'm hoping that Maine Law can be part of that.

Carrie: Wonderful. Nina, what's your vision?

Nina: I think that economic development and economic justice, when done right, is a solid multidisciplinary approach to battling all kinds of other injustices. I mentioned in the beginning that I initially came to law school for environmental justice and once I saw the economic justice fellowship and started thinking about exactly what economic justice meant, I realized that it encompasses a lot of other issues. Basically, all forms of injustice come down to wealth and if they're not caused by wealth, wealth is a large component in them and a lack of resources and a lack of safe housing causes people to struggle. And so I think that using a legal education or any involvement in the community to fight that pattern is for the greater good.

Carrie: Wonderful. So if this area interests me how can I get more involved? What can I do if I want to be more deeply involved in this area?

Greg: Well, you know, people want to get involved in different ways, which is terrific. I think for people who are looking to volunteer, I think there are organizations here in Maine that need volunteers and for whom I think the experience would be an intensely valuable one.

Preble Street comes to mind first. They always need help and serving this large number of who are experiencing homelessness and housing instability. I think for people who are interested in lending their voice into the policy process in a targeted way, I'd say look online for the Maine Affordable Housing Coalition. You'll see my phone number there. Call or send me an email and we would love to get your help in advocating for some of the issues that we've been talking about here today.

Peter: Well, I'll echo what Greg said. Be in touch with Avesta, be in touch with Coastal Enterprises, be in touch with us at the University of Maine School of Law. There are opportunities to participate as a guest lectures or discussions in our seminars, in our classes. There are wide ranging opportunities to help the small business startups and the nonprofit organizations by serving on boards of directors. There are many people out there with career skills that would be very, very helpful to people trying for the first time to start a business or to develop housing.

Carrie: That's wonderful. Thank you all so much for being here today. It's been a great pleasure.

Carrie: Thanks to our fabulous podcast team, Blaze Goodman, Rebecca Gilbert, Heather Chapman, Jenna Klein, Johnson and Blaze Partners. If you like this episode of The Greater Good, please rate, review and subscribe to the podcast. We'd also appreciate your feedback to ensure we are bringing you quality content and conversation.

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